

ASSEMBLY BILL

No. 922

Introduced by Assembly Member Miller

February 26, 2009

An act to add and repeal Section 60100.2 of the Revenue and Taxation Code, relating to taxation, to take effect immediately, tax levy.

LEGISLATIVE COUNSEL'S DIGEST

AB 922, as introduced, Miller. Diesel fuel tax exemption: biodiesel.

The Diesel Fuel Tax Law imposes a tax on the removal, entry, sale, delivery, and use, as specified, of diesel fuel. That law provides various exemptions from that tax.

This bill would exempt from the imposition of tax, on and after July 1, 2009, to June 30, 2014, inclusive, biomass-based diesel fuel produced in this state with California feedstock, as defined, and would require the State Energy Resources Conservation and Development Commission, in cooperation with the State Board of Equalization, to provide specified oversight of the tax incentive program and make an annual report regarding the program, as provided.

This bill would take effect immediately as a tax levy.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 60100.2 is added to the Revenue and
- 2 Taxation Code, to read:
- 3 60100.2. (a) On and after July 1, 2009, and to June 30, 2014,
- 4 inclusive, there is exempted from the imposition of tax pursuant

1 to Chapter 2 (commencing with Section 60050) biomass-based
2 diesel fuel produced in this state with California feedstock.
3 (b) For purposes of this section:
4 (1) "California feedstock" means any of the following:
5 (A) Used cooking oil collected in California.
6 (B) Trap grease and other FOGs collected in California.
7 (C) Yellow grease produced at a California rendering plant.
8 (D) Animal fat produced at a California rendering plant, meat
9 packing plant, or processing plant.
10 (E) Brown grease produced at a California rendering plant.
11 (F) Plant or fungal crop grown in California.
12 (G) Algae or other microorganisms cultivated in California.
13 (2) "FOG" means fat, oil, and grease.
14 (c) The State Energy Resources Conservation and Development
15 Commission shall, in cooperation with the board, oversee the tax
16 incentive program established by this section and shall annually
17 report to the Legislature regarding the program. The report shall
18 be posted on the commission's Internet Web site and shall include
19 all of the following information:
20 (1) The effect of the tax incentive program on the consumption
21 of biodiesel by consumers.
22 (2) Economic benefits or losses to the state as the result of the
23 program.
24 (3) Calculation of greenhouse gas emission reductions.
25 (d) This section shall remain in effect only until December 1,
26 2014, and as of that date, is repealed.
27 SEC. 2. This act provides for a tax levy within the meaning of
28 Article IV of the Constitution and shall go into immediate effect.